

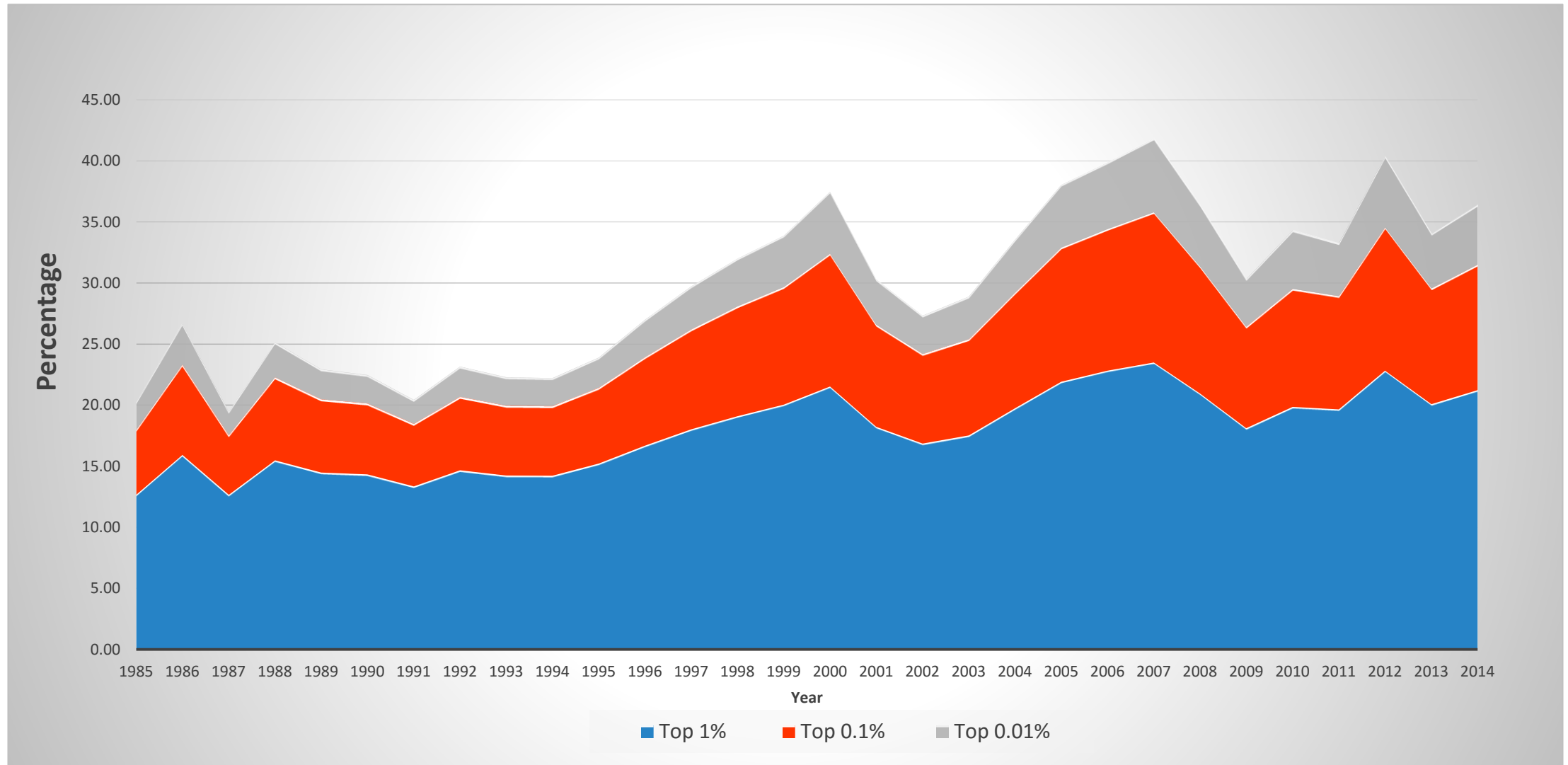
# Income inequality in America

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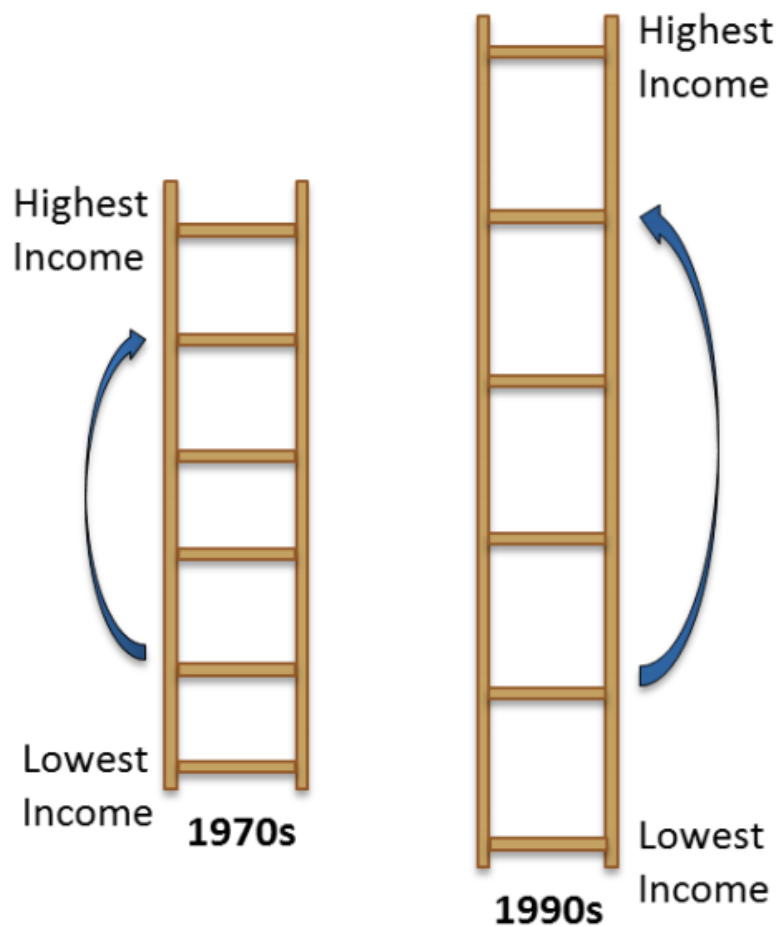
JAMES PETHOKOUKIS

JANUARY 2016

# Income shares, inclusive of capital gains, 1985-2014



## Changes in the Income Ladder in the United States

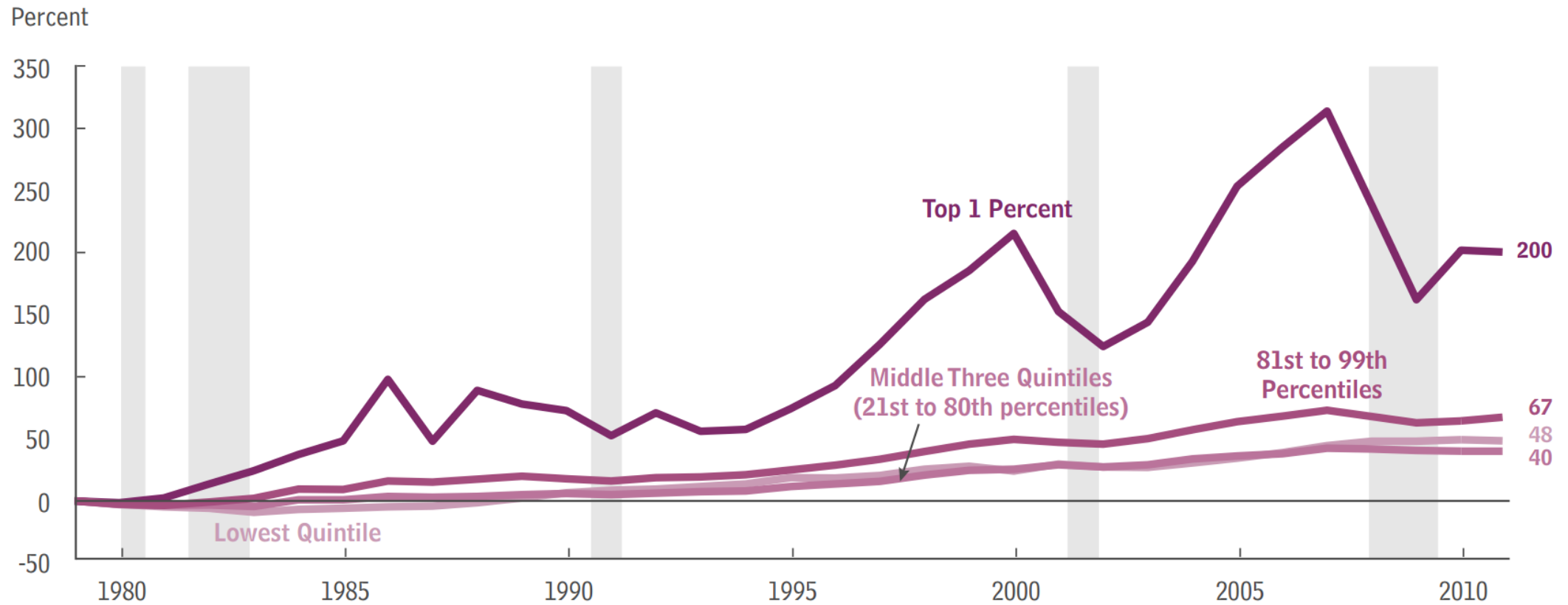


*The rungs of the income ladder have grown further apart (income inequality has increased)*

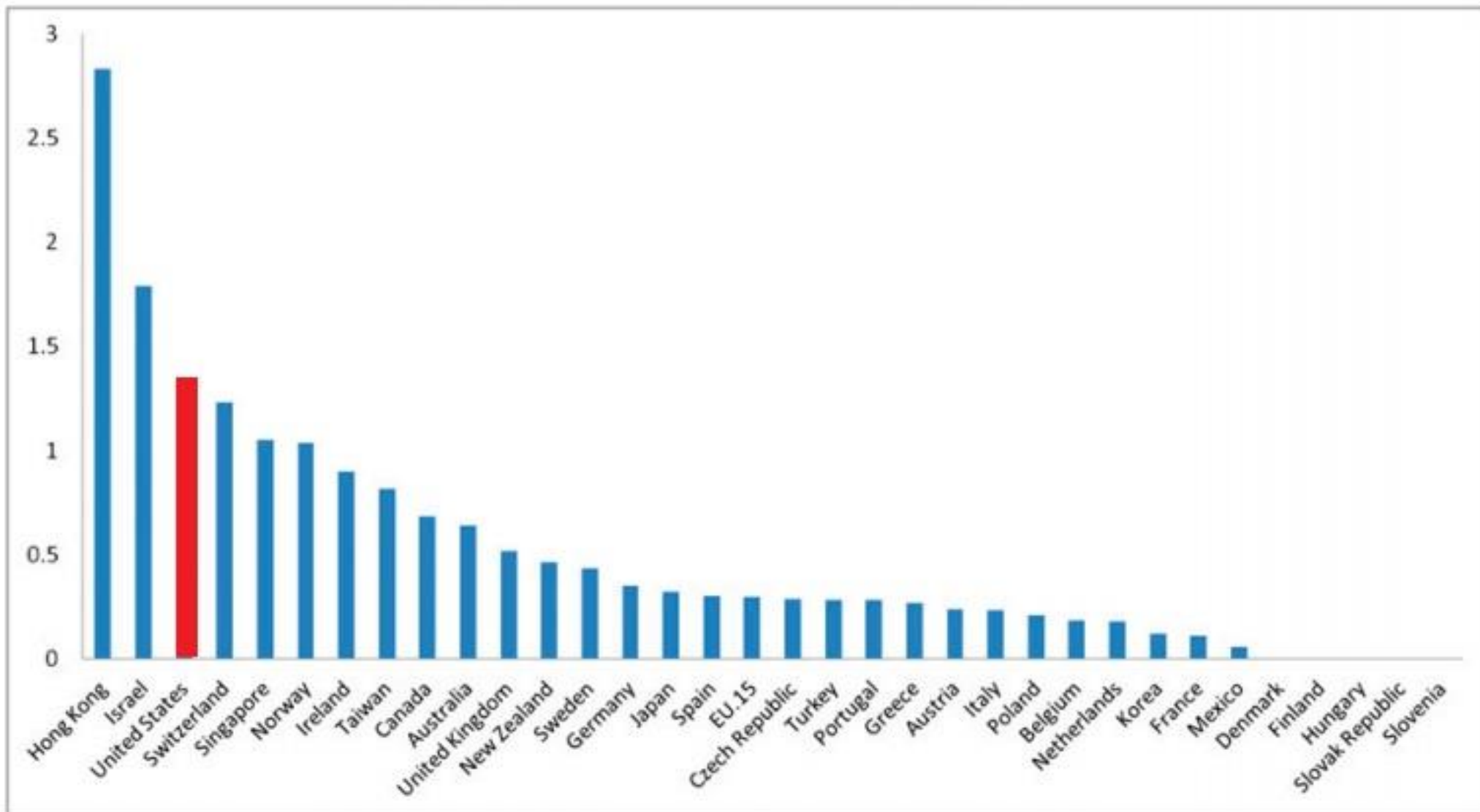
*...but children's chances of climbing from lower to higher rungs have not changed.*

**Figure 13.**

**Cumulative Growth in Average Inflation-Adjusted After-Tax Income, by Before-Tax Income Group, 1979 to 2011**



Source: Congressional Budget Office.



Entrepreneurship rate: Number of billionaire entrepreneurs per million inhabitants, 1996–2010.